

Cost Management Plan

Project Budget

The budget for this project is detailed below and has been broken up into the 2 stages of construction.

Stage	Labour	Procurement	Purchase	Total
1. Walk Way	\$3,100.00	\$6,425.97	\$1,030.00	\$10,555.97
2. Awning	\$6,700.00	\$16,947.08	\$875.08	\$24,522.16
Totals	\$9,800.00	\$23,373.05	\$1,905.08	\$35,078.13

Budget Summary calculations are provided on Appendix 9.

Measuring Project Costs

All calculations for Project costings are fixed quotations from material suppliers and Sub – Contractors to carry out the work as per their individual tender work packages. Sub – Contractors ABN, Insurance details and ability to deliver finished products will be checked prior to formal contract signing. Unless there is a change in Project scope and that the project itself is only short, there is a high level of confidence that the projects deliverables, budget and time constraints will be met.

The project has no additional contingency funds available.

Change of project scope will be managed as per detailed processes under Scope Control using QMB Variation Document (Residential) VAR-DOC (Appendix 2). No changes will be made without the approval from the PM in consultation with the client.

Earned Value Management will be implemented throughout the Project life cycle to track any variance in Cost and Performance. Four Earned Value criteria are to be used in this project: Scheduled Variance SV, Cost Variance CV, Scheduled Performance Index SPI and Cost Performance Index CPI. The Performance Indexes are to have a variance between 0.1 and 0.2, if a project was running less than 1 on the SPI it is behind on Schedule a well performing project runs as close as possible to 1. If CPI is equal to 1 the projects on budget, greater than 1 its under budget.

Reporting of variances and action plans to correct if required will be put forward in the weekly project meeting with the client for discussion and implementing into the project.

Project Funding

As per the signed contract between ATM Constructions and JoAnne Weber the funds will be paid as per item 9 of the contract being a deposit and 5 stages of construction. Invoices will be raised and emailed when each stage of construction is delivered. Payment under the contract is to be made within 2 working days from date on invoice into the Contractor nominated bank account.

The client will be funding the project entirely, no Bank finance is required.

Payments as detailed below:

Stage of Work	Works included in Stage	% of contract complete	Amount due (GST inc)
Deposit	Signing of contract	5%	\$1,929.25
Stage 1	Completion of block work	12%	\$4,630.20
Stage 2	Delivery of Structural Steel	33%	\$12,733.05
Stage 3	Delivery of Roofing Material	25%	\$9,646.25
Stage 4	Completion of Soffit lining	15%	\$5,787.75
Stage 5	Practical Completion	10%	\$3,858.00
Total		100%	\$38,585.00

Cash Flow

The projected Cashflow for the project is detailed below GST inc:

Week Beginning	Weekly Cashflow BL	Weekly Cashflow	Cumulative Expenses BL	Cumulative Expenses
23/3/20	\$1,929.25	\$3,996.00	\$1,929.00	\$3,996.00
30/3/20	\$4,630.20	\$0.00	\$6,559.00	\$3,996.00
6/4/20	\$0.00	\$5,668.00	\$6,559.00	\$9,665.00
13/4/20	\$12,733.05	\$3,898.00	\$19,292.00	\$13,563.00
20/4/20	\$0.00	\$2,636.00	\$19,292.00	\$16,189.00
27/4/20	\$9,646.25	\$4,930.00	\$28,939.00	\$21,119.00
4/5/20	\$0.00	\$5,343.00	\$28,939.00	\$26,461.00
11/5/20	\$5,787.75	\$5,052.00	\$34,726.00	\$31,514.00
18/5/20	\$0.00	\$1,800.00	\$34,726.00	\$33,314.00
25/5/20	\$3,858.00	\$3,427.00	\$38,585.00	\$36,741.00
	\$0.00	\$1,844.00	\$38,585.00	\$38,585.00